

# **FY16 Fiscal Update**

## **Louisiana Senate Finance Committee**



**October 26, 2015**

**Sen. John Alario, President**

**Sen. Jack Donahue, Chairman**

# FY16 Enacted Total Budget and MOF

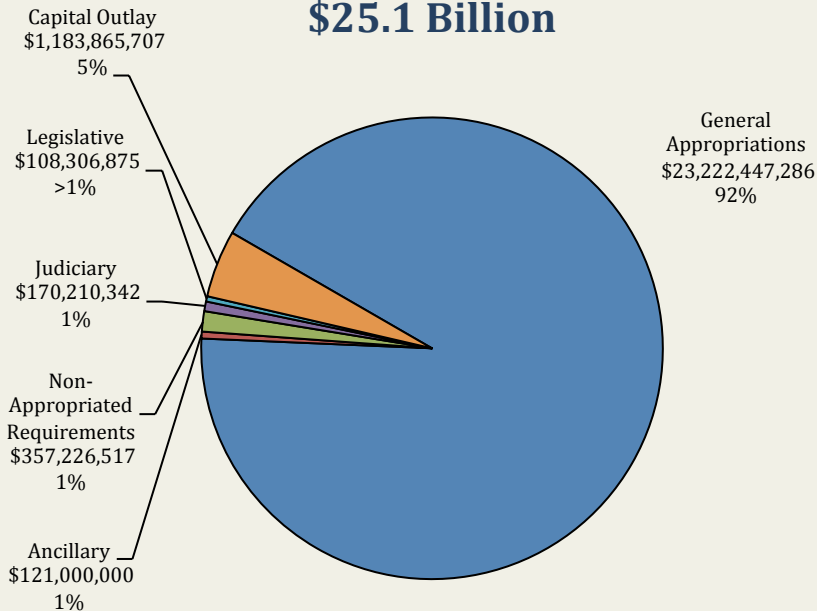
## FY16 Total Budget as enacted is \$25.1 billion.

- Total includes the General Operating Budget — HB1 (Act 16 of the 2015 R.S.), and the Capital Outlay, Legislative, Judicial, Non-Appropriated Requirements, and Ancillary budgets.

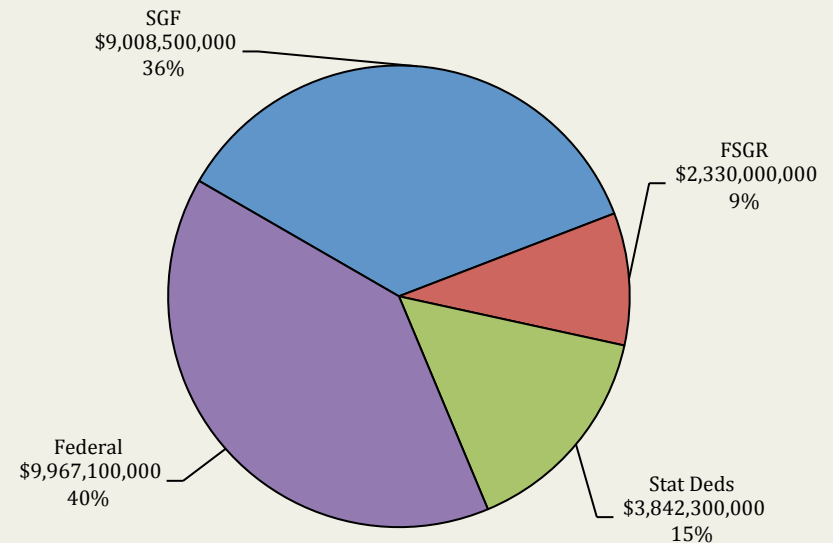
## Means of Finance for the FY16 Enacted Total State Budget includes:

- \$9.0 billion State General Fund; \$2.3 billion Fees and Self-generated Revenues; \$3.8 billion for Statutory Dedications; and over \$9.9 billion Federal.

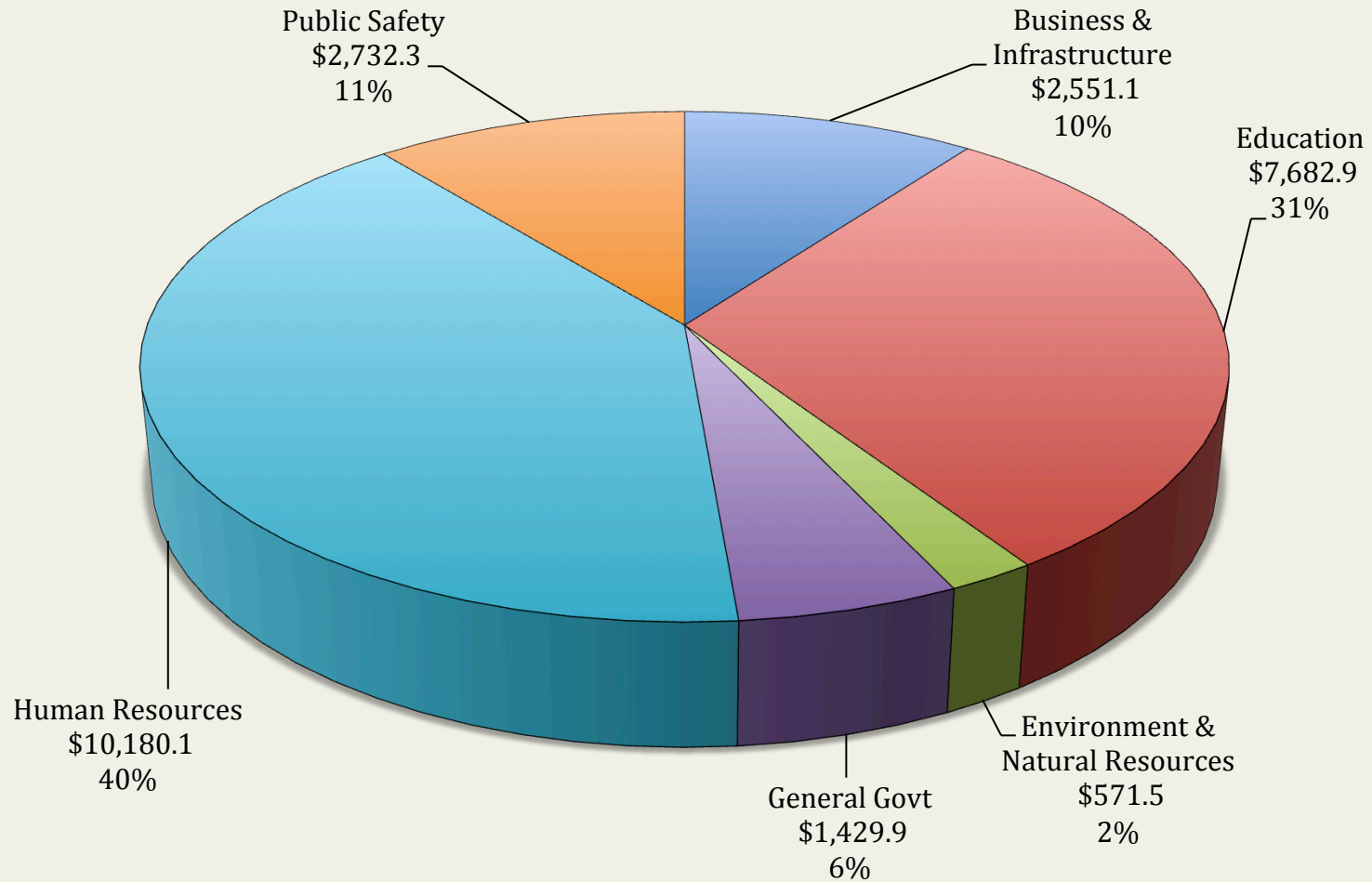
**FY16 Total Enacted  
\$25.1 Billion**



**FY16 Enacted MOF  
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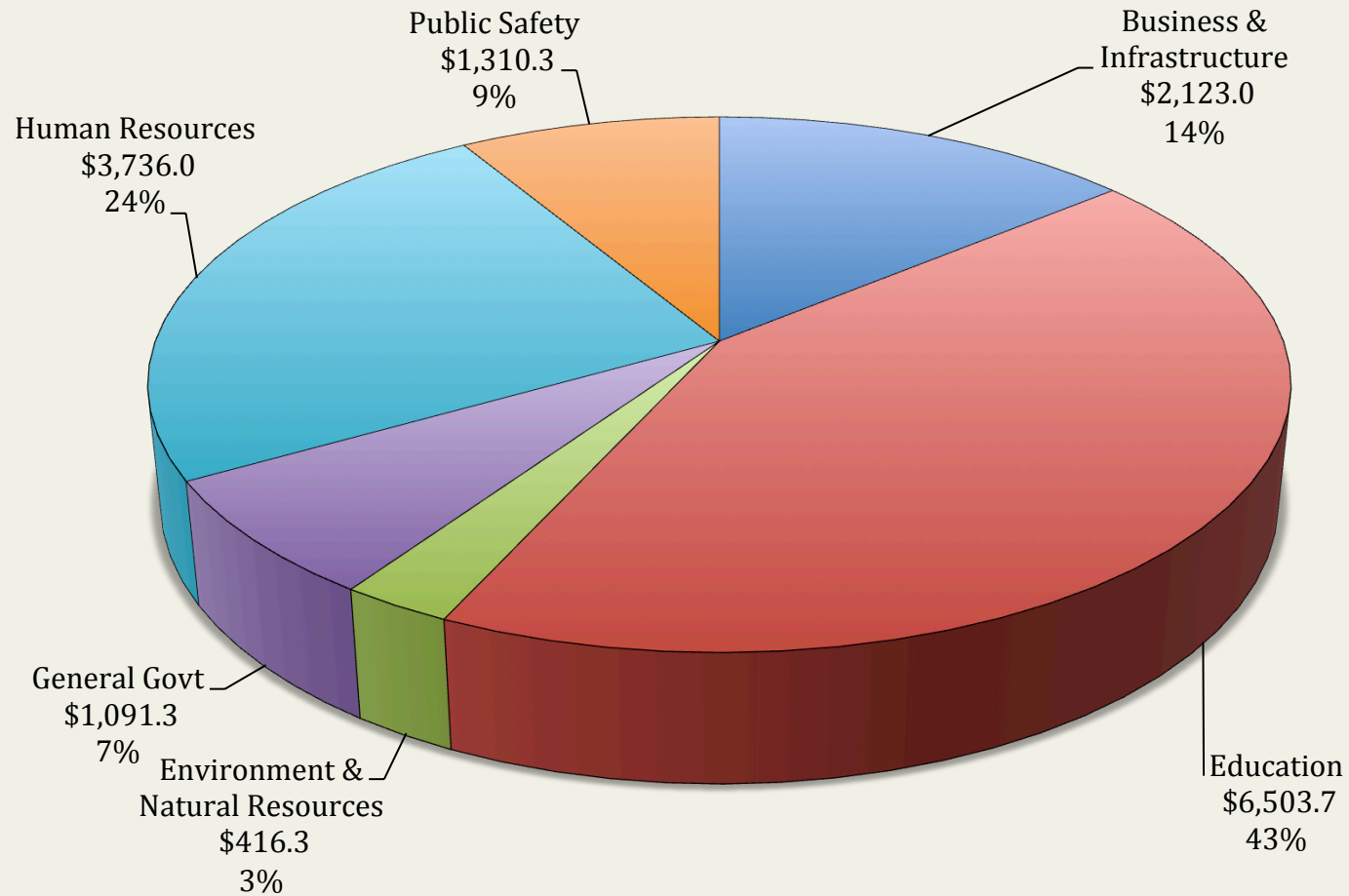
# FY16 Enacted Total Expenditures by Functional Area



*Includes all Means of Financing, State and Federal.*

*Source: State Budget Fiscal Year 2015-2016.*

# FY16 Enacted State-Funded Expenditures by Functional Area



*"State-Funded" includes State General Fund, Fees and Self-generated Revenues, and Statutory Dedications.*

*Source: State Budget Fiscal Year 2015-2016.*



# Comparative Statewide Revenue and Expenditure History

## Statewide Revenue History

Means of Finance	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Existing Operating Budget (12/1/2014)	FY 2016 Appropriated
State General Fund	\$ 11,326,466,477	\$ 10,370,056,793	\$ 8,574,771,864	\$ 7,768,255,500	\$ 8,347,518,198	\$ 8,529,528,922	\$ 8,415,700,000	\$ 8,734,200,000	\$ 9,008,500,000
Fees and Self-generated Revenues	\$ 1,237,953,868	\$ 1,358,302,568	\$ 1,428,207,083	\$ 1,560,587,300	\$ 1,994,373,656	\$ 2,046,493,260	\$ 2,128,000,000	\$ 2,528,800,000	\$ 2,330,000,000
Statutory Dedications	\$ 4,104,174,611	\$ 3,309,387,716	\$ 3,432,125,524	\$ 4,027,699,709	\$ 3,639,622,216	\$ 4,113,484,902	\$ 4,233,600,000	\$ 4,505,700,000	\$ 3,842,300,000
Federal	\$ 12,883,328,708	\$ 10,951,001,370	\$ 11,771,791,862	\$ 10,918,294,287	\$ 9,745,573,269	\$ 9,520,946,163	\$ 8,993,400,000	\$ 10,076,100,000	\$ 9,967,100,000
<b>TOTAL</b>	<b>\$ 29,551,923,664</b>	<b>\$ 25,988,748,447</b>	<b>\$ 25,206,896,333</b>	<b>\$ 24,274,836,796</b>	<b>\$ 23,727,087,339</b>	<b>\$ 24,210,453,247</b>	<b>\$ 23,770,700,000</b>	<b>\$ 25,844,800,000</b>	<b>\$ 25,147,900,000</b>

<b>Means of Finance</b>									
<b>All State Funds</b>	<b>\$ 16,668,594,956</b>	<b>\$ 15,037,747,077</b>	<b>\$ 13,435,104,471</b>	<b>\$ 13,356,542,509</b>	<b>\$ 13,981,514,070</b>	<b>\$ 14,689,507,084</b>	<b>\$ 14,777,300,000</b>	<b>\$ 15,768,700,000</b>	<b>\$ 15,180,800,000</b>
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## Statewide Expenditure History

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Ancillary Appropriations	\$ 39,805,944	\$ 24,625,910	\$ 74,889,200	\$ 121,788,174	\$ 73,655,861	\$ 88,845,627	\$ 92,400,000	\$ 121,000,000	\$ 121,000,000
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Legislative Expense	\$ 72,248,382	\$ 107,206,969	\$ 77,807,677	\$ 80,348,145	\$ 85,981,512	\$ 82,019,617	\$ 83,200,000	\$ 93,000,000	\$ 93,057,033
Special Acts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ 1,874,259,433	\$ 984,722,247	\$ 2,126,825,374	\$ 902,883,555	\$ 1,129,700,496	\$ 1,173,260,239	\$ 1,036,100,000	\$ 1,338,800,000	\$ 1,183,865,707
<b>TOTAL EXPENDITURES</b>	<b>\$ 28,597,377,276</b>	<b>\$ 25,063,046,388</b>	<b>\$ 25,314,873,702</b>	<b>\$ 24,288,632,482</b>	<b>\$ 23,613,866,532</b>	<b>\$ 24,049,565,282</b>	<b>\$ 23,937,900,000</b>	<b>\$ 25,844,800,000</b>	<b>\$ 25,147,806,885</b>
<b>Appropriated Employee Headcount</b>	<b>93,713</b>	<b>94,145</b>	<b>89,060</b>	<b>83,047</b>	<b>72,661</b>	<b>61,755</b>	<b>56,762</b>	<b>57,781</b>	<b>58,177</b>

Note: Years FY08 through FY15 are taken from the Comparative Statements for each year prepared by the OPB in either the Executive Budget or the State Budget Documents.

Note: All budget numbers reflect total revenues and expenditures for state spending for that respective year. These exclude double-counts.

Note: For FY14, an undesignated cash balance of \$345,816,000 was recognized by the Joint Legislative Committee on the Budget. These funds resulted in a surplus being recognized for FY14 in the amount of \$178,511,565.

Note: State employee headcount numbers are compiled from the Civil Service Report on State Employment.

# FIVE YEAR BASE LINE PROJECTION STATE GENERAL FUND SUMMARY APPROPRIATED

	Fiscal Year 2014-2015	Fiscal Year 2015-2016	Projected Fiscal Year 2016-2017	Projected Fiscal Year 2017-2018	Projected Fiscal Year 2018-2019
<b>REVENUES:</b>					
Taxes, Licenses & Fees	\$10,494,100,000	\$10,545,800,000	\$10,803,400,000	\$11,034,500,000	\$11,212,300,000
Less Dedications	(\$2,009,100,000)	(\$1,949,600,000)	(\$1,990,700,000)	(\$1,976,900,000)	(\$1,980,700,000)
Carry Forward Balances	\$11,239,379	\$11,876,865	\$0	\$0	\$0
Additional Revenues - 2015 Acts of the Legislature	\$0	\$255,500,000	\$494,600,000	\$476,600,000	\$217,500,000
Act 121 of 2015 RLS (Funds Bill) - Transfer of Funds	\$0	\$30,300,000	\$0	\$0	\$0
Revenue Transferred to the General Fund by Acts of the Legislature	\$28,500,000	\$0	\$0	\$0	\$0
Per action by JLCB on 12/18/2014 on the Mid-Year Deficit	\$17,332,443	\$0	\$0	\$0	\$0
Per action by JLCB on 02/20/2015 on the 2nd Mid-Year Deficit	\$31,556,470	\$0	\$0	\$0	\$0
Per action by JLCB on 02/27/2015 on the 2nd Mid-Year Deficit	\$939,570	\$0	\$0	\$0	\$0
Use of Prior Year Undesignated Fund Balance	\$133,883,673	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$8,708,451,535</b>	<b>\$8,893,976,865</b>	<b>\$9,307,200,000</b>	<b>\$9,534,200,000</b>	<b>\$9,449,000,000</b>
<b>ANNUAL GROWTH RATE</b>		<b>2.13%</b>	<b>4.65%</b>	<b>2.44%</b>	<b>-0.89%</b>
<b>EXPENDITURES:</b>					
General Appropriation Bill (Act 15 of 2014 RLS)	\$8,299,155,544	\$8,394,470,347	\$9,417,501,132	\$9,661,186,689	\$10,137,823,189
Ancillary Appropriation Bill (Act 45 of 2014 RLS)	\$0	\$0	\$6,081,617	\$9,381,607	\$12,797,096
Non-Appropriated Requirements	\$206,170,216	\$285,155,251	\$477,964,823	\$459,890,030	\$449,127,786
Judicial Appropriation Bill (Act 65 of 2014 RLS)	\$155,338,908	\$159,838,908	\$159,768,171	\$159,768,687	\$159,769,224
Legislative Appropriation Bill (Act 75 of 2014 RLS)	\$73,352,811	\$73,352,811	\$73,223,034	\$73,221,615	\$73,219,979
Special Acts	\$0	\$0	\$13,400,000	\$13,400,000	\$13,400,000
Capital Outlay Bill (Act 25 of 2014 RLS)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$8,734,017,479</b>	<b>\$8,912,817,317</b>	<b>\$10,147,938,777</b>	<b>\$10,376,848,628</b>	<b>\$10,846,137,274</b>
<b>ANNUAL GROWTH RATE</b>		<b>2.05%</b>	<b>13.86%</b>	<b>2.26%</b>	<b>4.52%</b>
Midyear Adjustments after 12/1/2014	(\$19,109,509)	\$0	\$0	\$0	\$0
Preamble Reductions	(\$6,456,435)	(\$18,840,452)	(\$18,840,452)	(\$18,840,452)	(\$18,840,452)
DHH Tobacco Tax Medicaid Match Fund MOF Substitution	\$0	\$0	(\$103,900,000)	(\$103,900,000)	(\$103,900,000)
Act 16 of 2015 Supplementary Appropriation Pro-rata Adjustment	\$0	\$0	(\$4,642,715)	(\$4,642,715)	(\$4,642,715)
<b>PROJECTED BALANCE</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$713,355,610)</b>	<b>(\$715,265,461)</b>	<b>(\$1,269,754,107)</b>
Oil Prices included in the REC official forecast	\$69.05	\$61.70	\$64.96	\$66.73	\$68.07

# Reductions, Eliminations, Privatizations, Substitutions, and Consolidations over the Previous Seven Years

## **K-12**

2.75 percent growth factor for the MFP eliminated in FY10 until FY14 Floor Amendment in the amount of \$69 million  
Stipends for teachers  
State Activity Programs for K-12/additional Math and Reading Programs  
Non-public transportation funding

## **Higher Education**

State General Fund support for Higher Education by a total of almost \$700 million  
Tuition increases implemented  
No Merit Increases for majority of Higher Education for several years

## **Public Safety and Corrections**

Closure of adult prisons — Phelps Correctional Center, Dabadie Correctional Center, and Forcht-Wade Correctional Center  
Reduction of over 230 positions in Motor Vehicles/Instituted Public Tag Agent program  
Closure of Jetson Center for Youth

## **DHH**

Privatization of Developmental Centers  
Privatization of Public Hospitals  
Closure of the Hainkel Home, New Orleans Adolescent Hospital, and Southeast Hospital

## **Statewide**

Information Technology consolidated  
Procurement Practices consolidated  
Privatization of Risk Management  
Consolidation of Human Capital Management  
Funding adjustments for Group Benefits  
Merit Increases eliminated

# Dedications and Mandatory Expenditures

## Expenditure Items:

- Minimum Foundation Program
- Supplemental Pay
- Revenue Sharing
- State Elections
- Debt Service

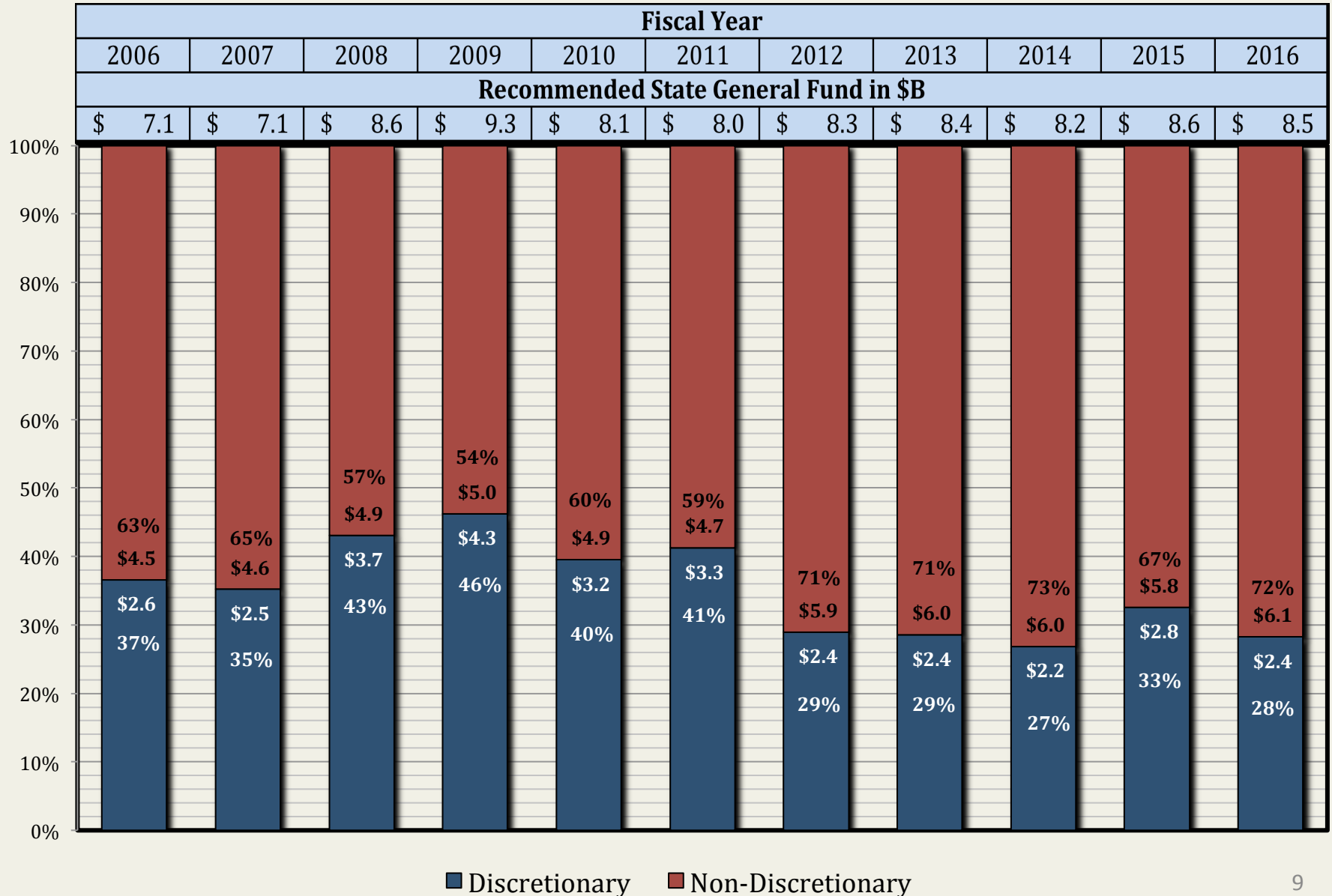
## Revenue Sources:

- La. Medical Assistance Trust Fund
- Overcollections
- Transportation Trust Fund
- Lottery
- Riverboat Gaming



# Discretionary/Non-Discretionary History

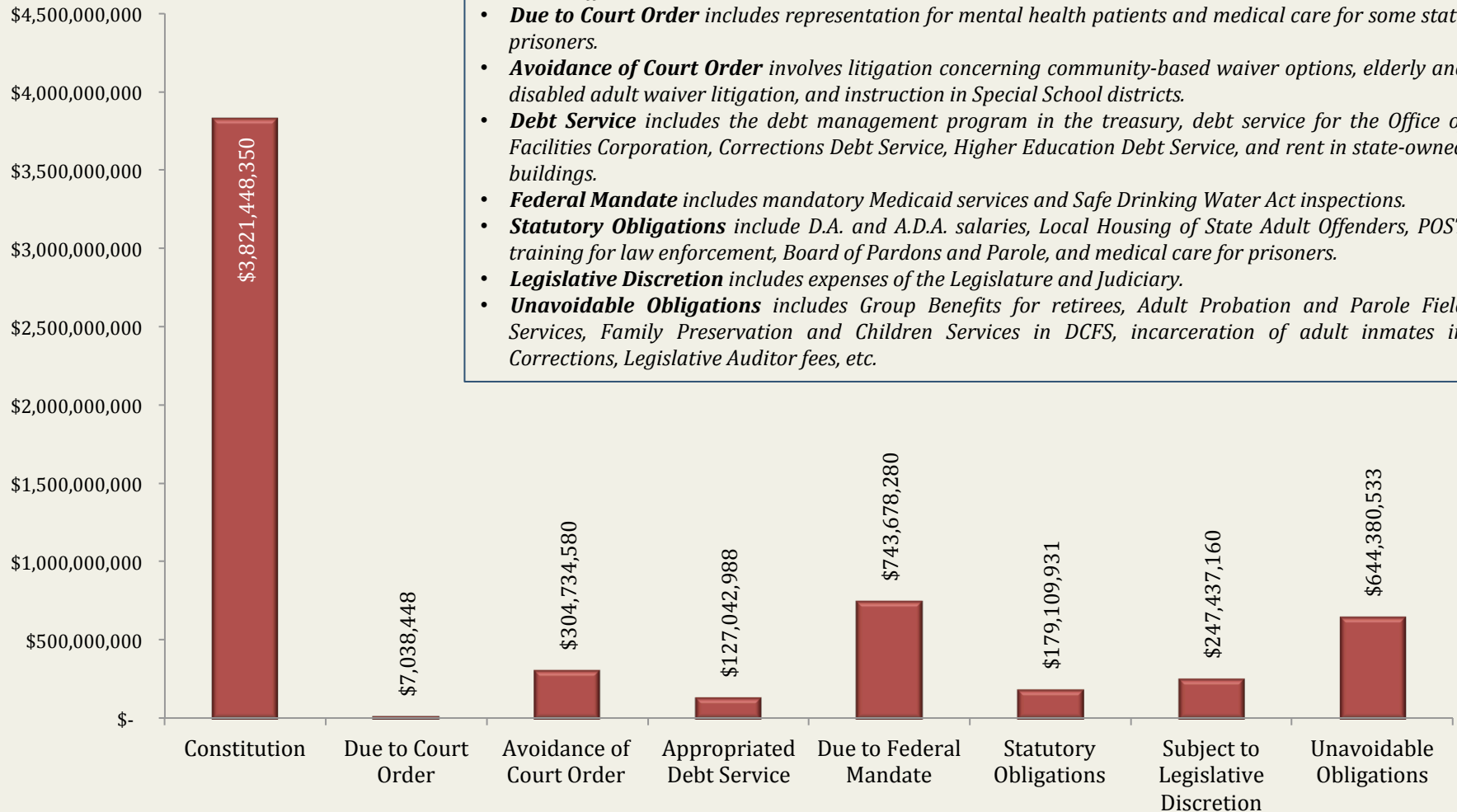
(in \$ billions)



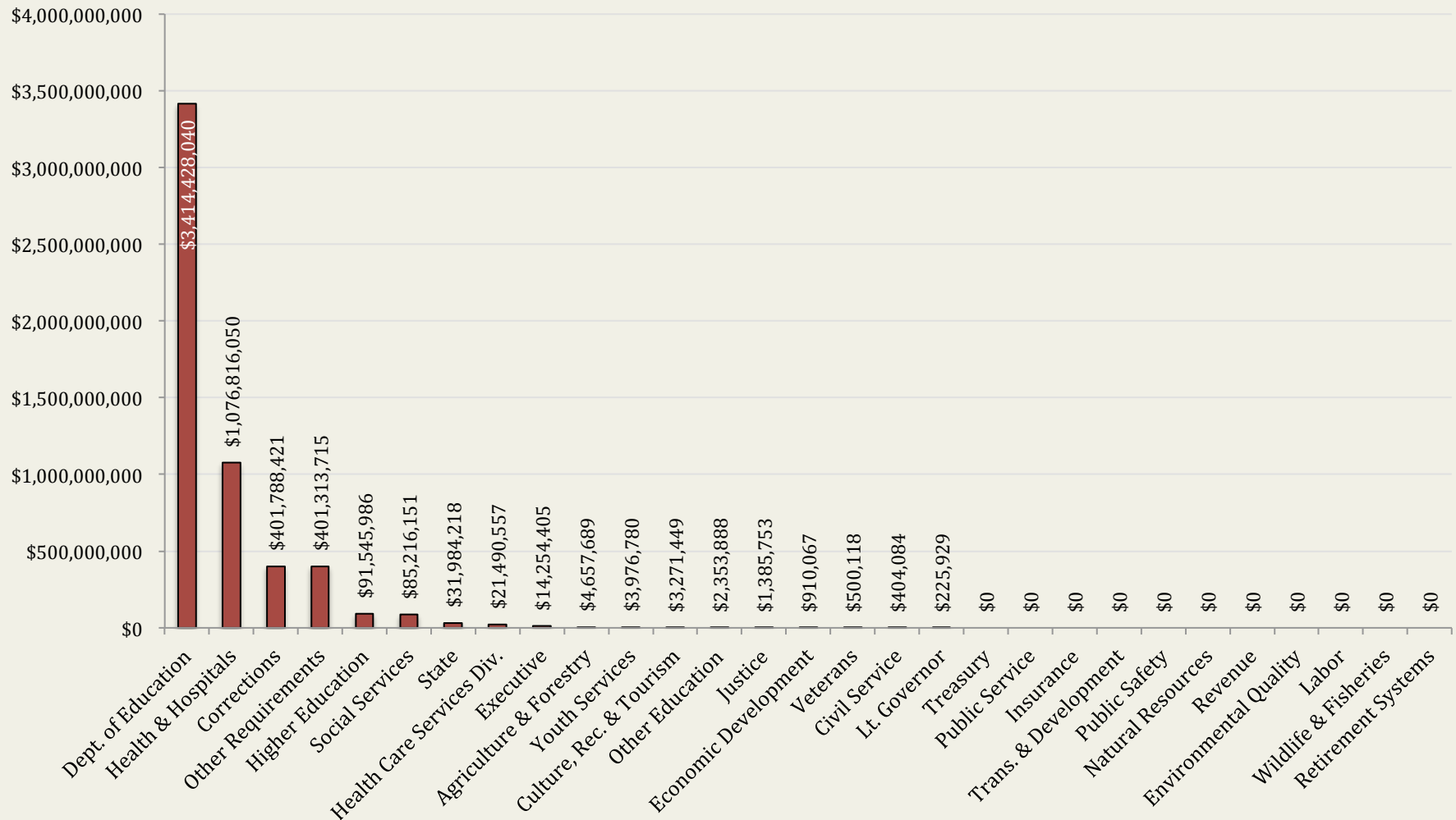
# FY16 Enacted

## Non-Discretionary SGF by Requirement Categories

- **Constitution** requirements include MFP, costs of elections and ballot printing, salaries of statewide elected officials, etc.
- **Due to Court Order** includes representation for mental health patients and medical care for some state prisoners.
- **Avoidance of Court Order** involves litigation concerning community-based waiver options, elderly and disabled adult waiver litigation, and instruction in Special School districts.
- **Debt Service** includes the debt management program in the treasury, debt service for the Office of Facilities Corporation, Corrections Debt Service, Higher Education Debt Service, and rent in state-owned buildings.
- **Federal Mandate** includes mandatory Medicaid services and Safe Drinking Water Act inspections.
- **Statutory Obligations** include D.A. and A.D.A. salaries, Local Housing of State Adult Offenders, POST training for law enforcement, Board of Pardons and Parole, and medical care for prisoners.
- **Legislative Discretion** includes expenses of the Legislature and Judiciary.
- **Unavoidable Obligations** includes Group Benefits for retirees, Adult Probation and Parole Field Services, Family Preservation and Children Services in DCFS, incarceration of adult inmates in Corrections, Legislative Auditor fees, etc.

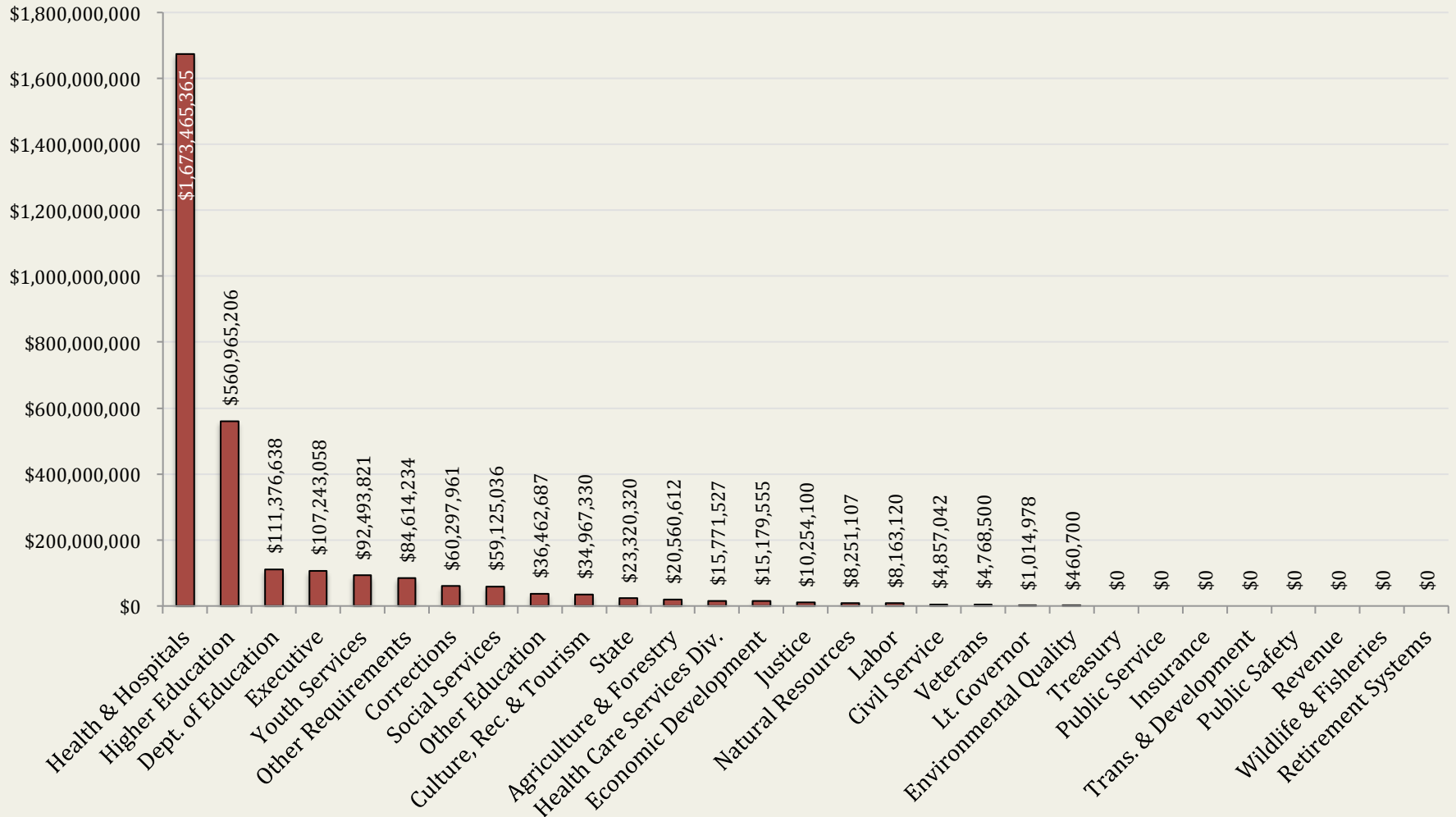


# FY16 Enacted Non-Discretionary SGF by Department\*



\*HB1 only.

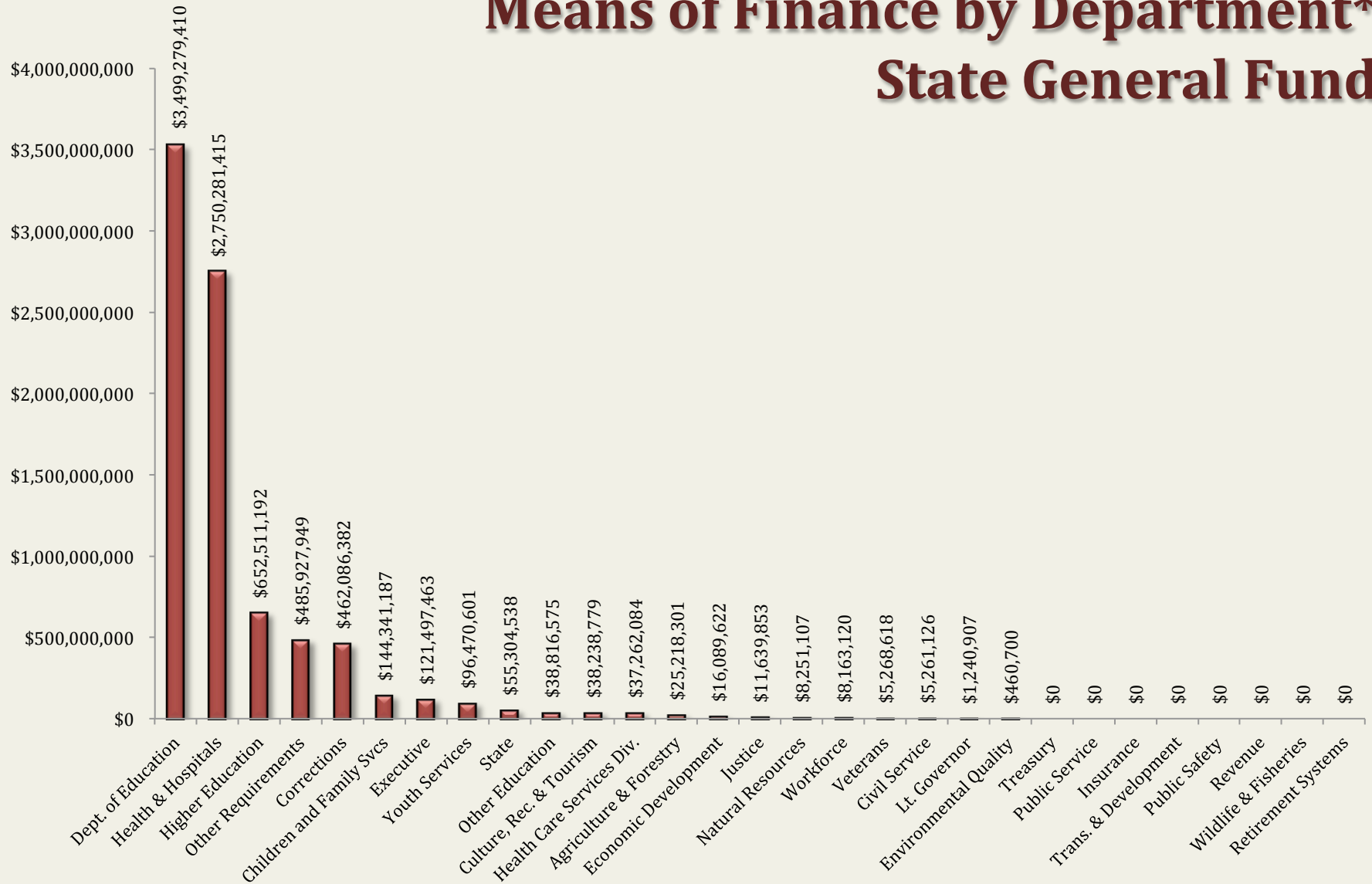
# FY16 Enacted Discretionary SGF by Department\*



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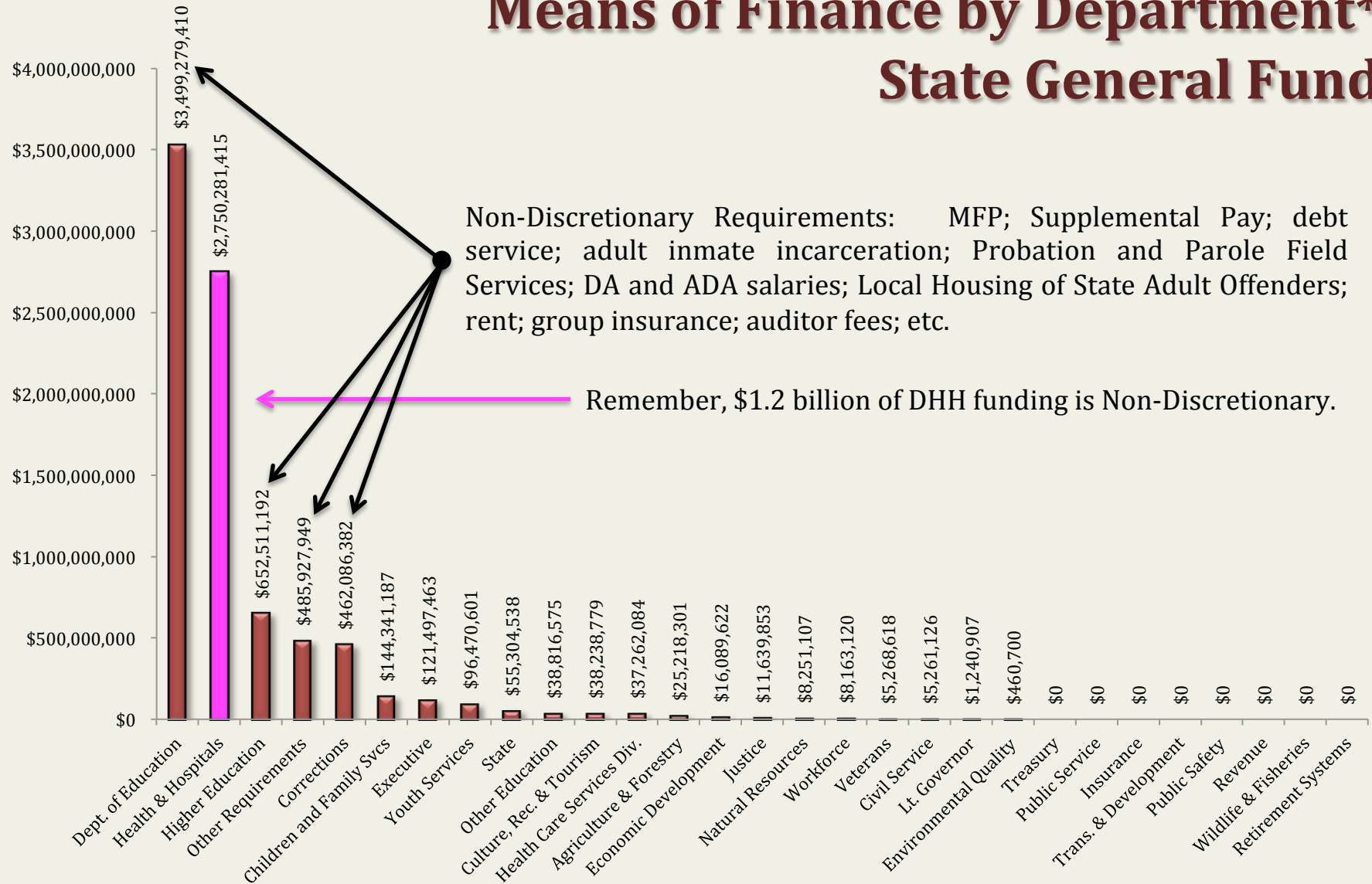


# FY16 Enacted Means of Finance by Department\* State General Fund

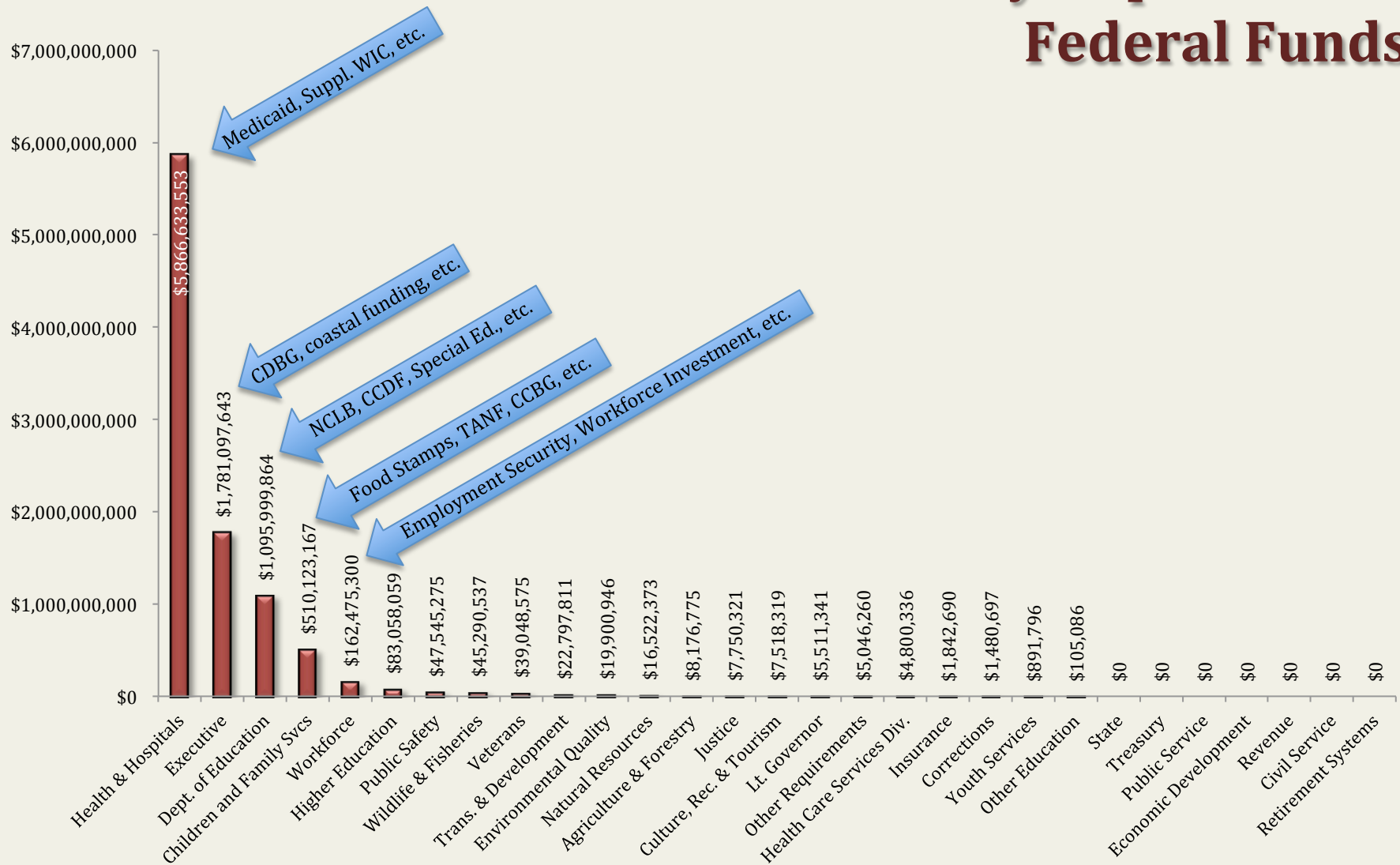


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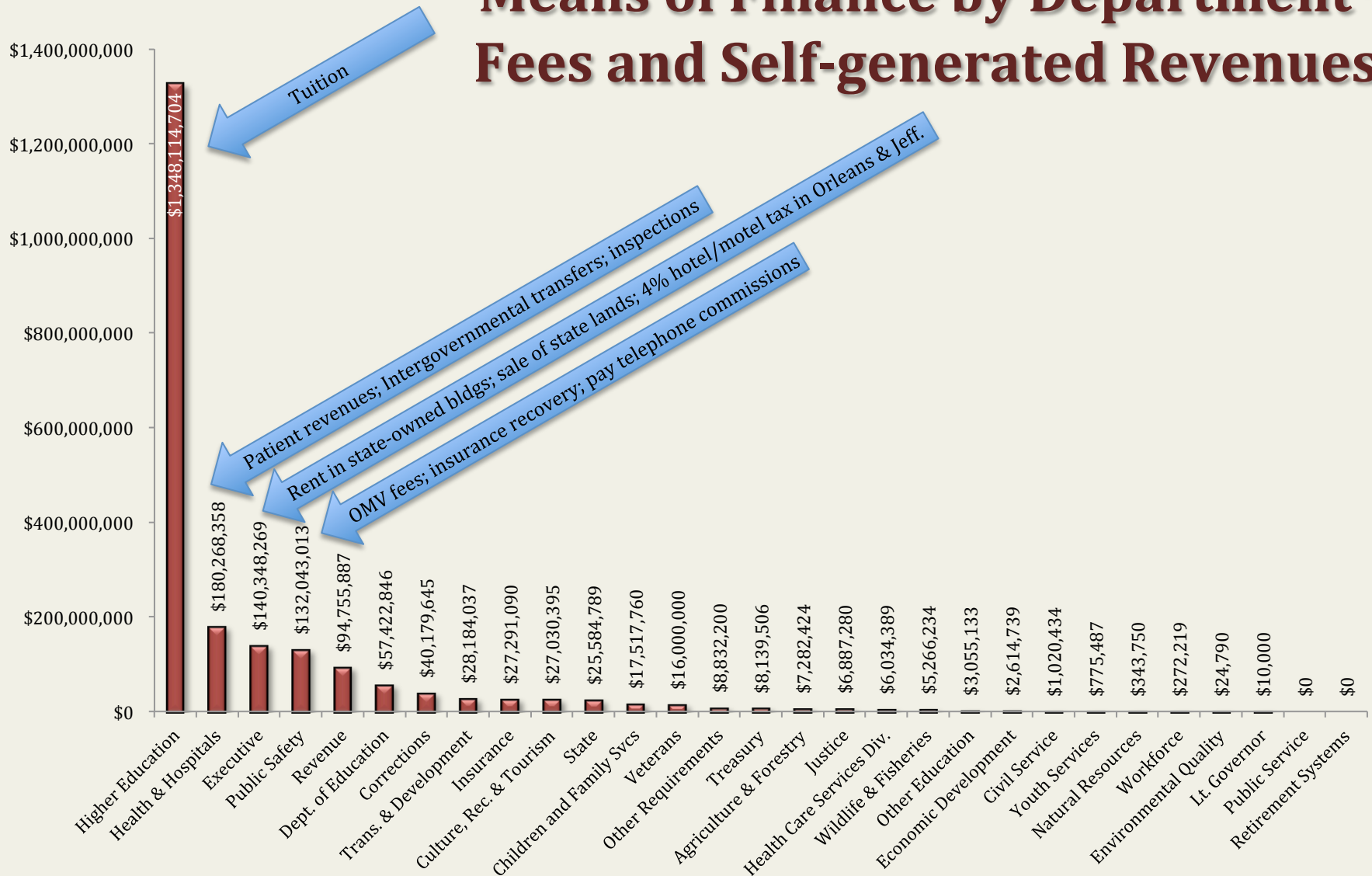


# FY16 Enacted Means of Finance by Department\* Federal Funds



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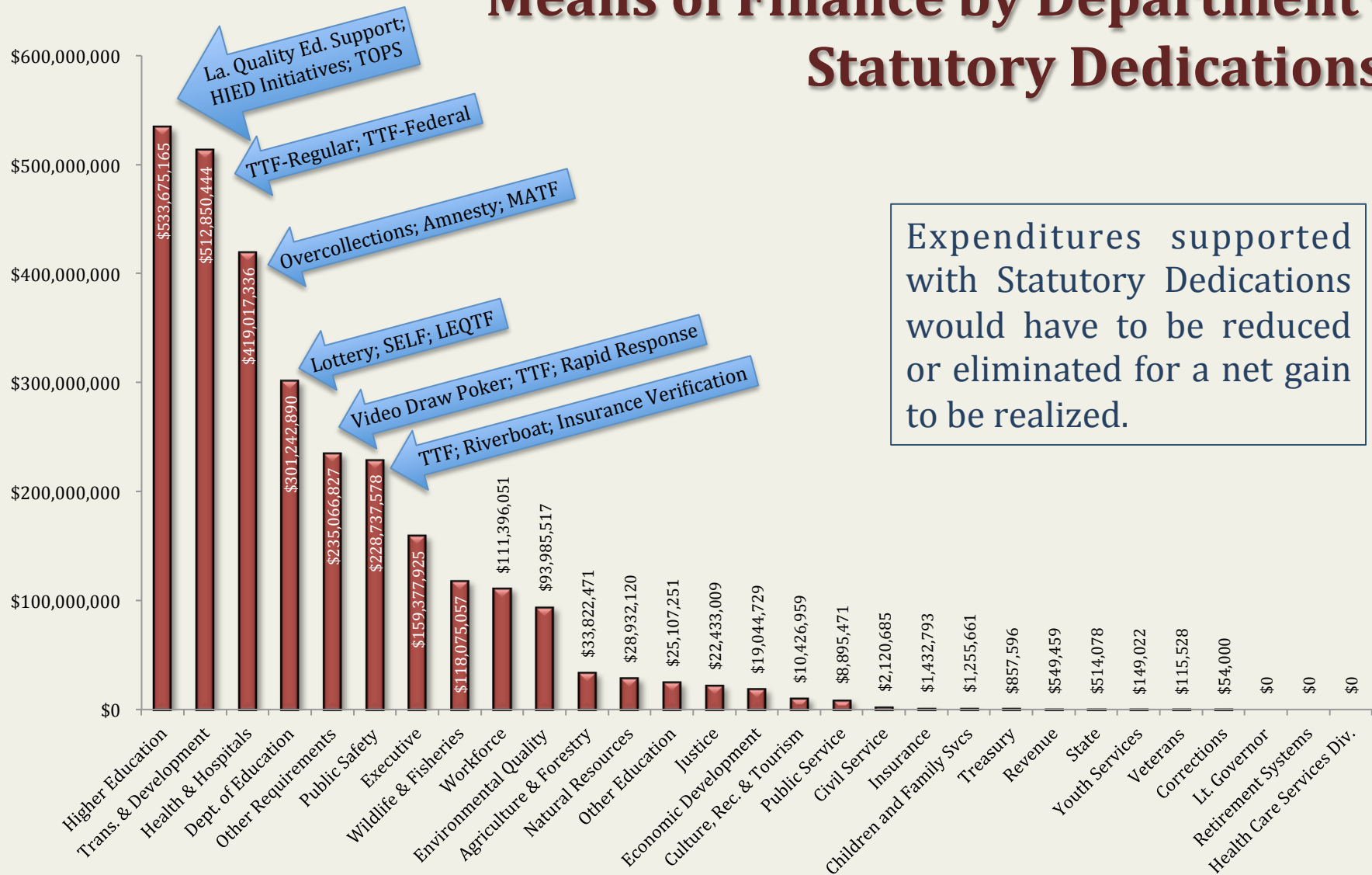
# FY16 Enacted Means of Finance by Department\* Fees and Self-generated Revenues



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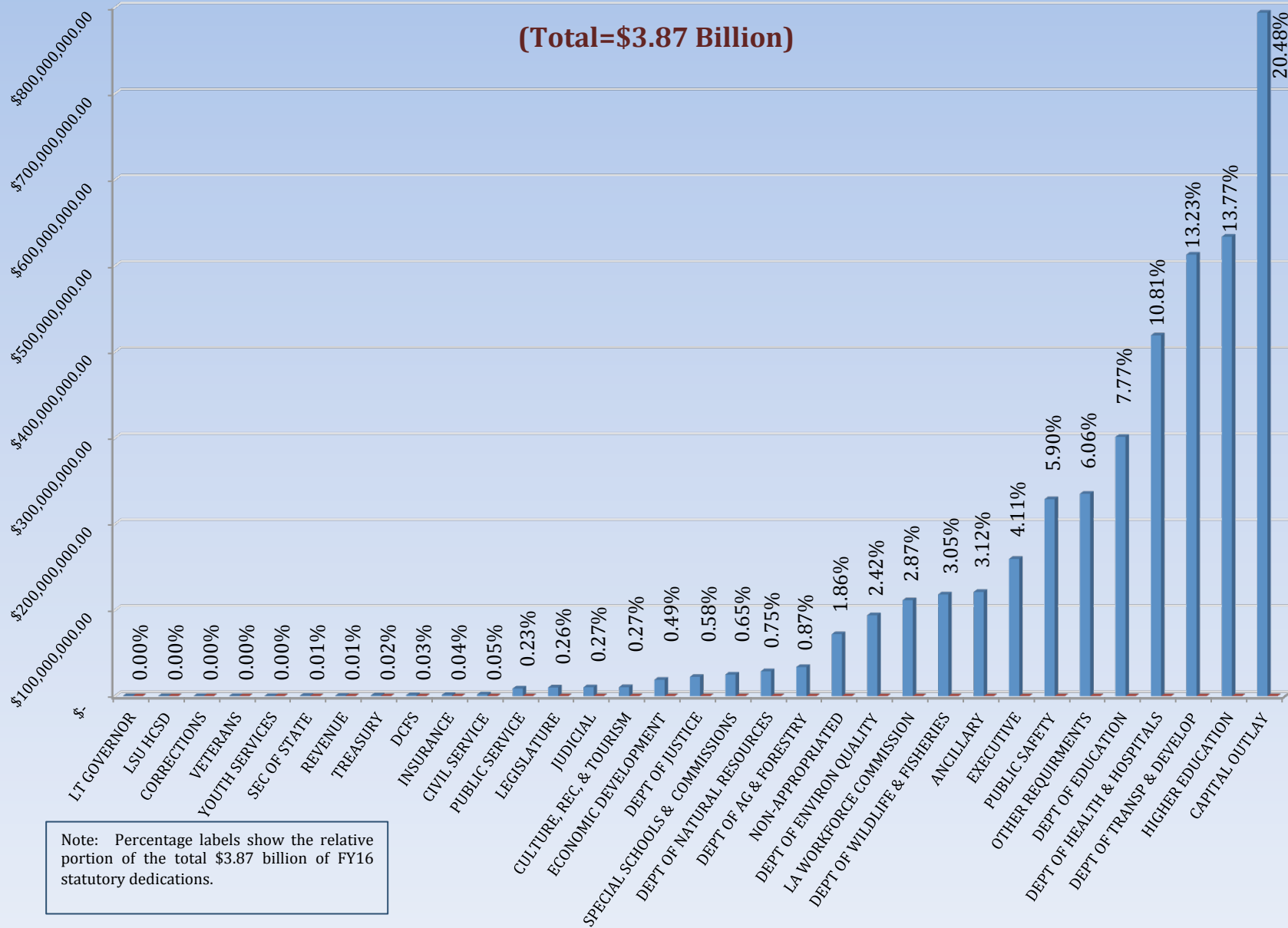
## Statutory Dedications



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# Total Statewide Distribution of Statutory Dedications at Appropriated for FY 2016

(Total=\$3.87 Billion)



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## Statewide Revenue History

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